# RS of a CORPORATION



CHAPTER X

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PACIFIC MILLS





## MEMOIRS of a CORPORATION

# The Story of Mary and Mack and Pacific Mills

with the editorial assistance of Josef Berger



## PACIFIC MILLS

Executive Offices: 140 Federal Street BOSTON, MASSACHUSETTS

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## DEDICATION

To the memory of those gallant workers of Pacific Mills who died in service of their country on the battlefields of four wars, this series of booklets is reverently dedicated . . .

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## PACIFIC MILLS

## Officers and Directors

### 1850

ABBOTT LAWRENCE
JEREMIAH S. YOUNG
W. C. CHAPIN
(Agent, 1853-1871)

President
Treasurer
Vice-President
Vice-President
Vice-President
Vice-President
Vice-President
Vice-President
Assistant Treasurer
Assistant Treasurer
Secretary
Assistant Secretary

A. HUNTINGTON CLAPP

Directors

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JAMES L. LITTLE
WILLIAM C. CHAPIN
JOHN A. LOWELL
JAMES W. PAIGE
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G. HOWLAND SHAW
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## 1950

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Henry M. Bliss
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This is the tenth of a series of booklets being published by Pacific Mills at monthly intervals through the current year in commemoration of the founding of the company one hundred years ago.

If you did not receive the preceding chapters, Pacific Mills will be glad to send them to you on request. Write to Pacific Mills, 140 Federal Street, Boston 10, Mass.

# Tales of the Marketplace

(In preceding chapters of this series, Mary and Mack, employees of Pacific Mills, have visited all the company's manufacturing plants. These included the mill at Lawrence, Massachusetts, where Mack's great-grandfather worked for Pacific a century ago; the cotton mills owned by the company in South Carolina; and the new mills of the Worsted Division which have been established in North Carolina and Virginia. In this chapter they visit the Pacific Mills sales offices in New York City.)

If you can build a better mousetrap than your neighbor, you'd better beat a path from your door to the wholesalers and jobbers and try to convince them. Sometimes that's a tougher chore than catching mice.

If it's fabrics instead of mousetraps, you'll take them to New York. That is where the big jobbers and "cutters" of dresses and suits do much of their buying. That is why leading cotton mills have offices in the little slice of lower Manhattan known as Worth Street, and the worsted and woolen mills are represented a bit farther uptown on Fourth and Fifth Avenues.

There the mills show their wares. To those market places of the world come tens of thousands of buyers. There, too, is carried on the work of men and women who advise the mills what to make, the designers, colorists, stylists. From our beginnings as a nation, New York took its place as the merchandising center for the makers of cloth. When Martha Washington wanted a dress, she had George write to New York for "a piece of ye taffety which we hear is newly arrived from England."

The first houses dealing in cloth were located near the Battery. As the city grew, they moved uptown by stages to Queen Street. There they settled down. Queen became Worth. And the whole community devoted to textiles in nearby streets — Leonard, Thomas, Church, Broadway — came to be known as "Worth Street."



In 1883 the sales headquarters of Lawrence & Company was on Thomas Street, New York. Today the site is occupied by the Merchants Club.

By 1850 a dozen commission houses were clustered there. Soon among them was a branch of the Boston firm of Little, Alden & Company, which became the selling agent for Pacific Mills and which, as James L. Little & Company, continued so for many years.

Jim Little's talents as a dealer in cloth and an oracle of fashion were well known. The gentry of Worth Street were fond of paying for his company at lunch in the Merchants Club or the East India House — even those he had often outsmarted in the matter of landing orders.

There were many such, for he was what the trade of those days called a "hem hound." When anybody was in the market for a piece of cloth — even if only enough to make a hem, figuratively speaking — Jim Little smelled out the deal ahead of his rivals.

At the time of Pacific Mills' incorporation he was one of the original nine directors. Twenty-seven years later, when Treasurer Wiley Edmands died, the board, with considerable fanfare and speech-making, elected Little to the top position. He was then in his seventies, but still very much the go-getter and supremely confident of what he was doing.

As time went on, however, within the board of directors a clique formed that wasn't so confident. Made up of powerful men representing large Boston stockholdings, this group raised a question that had popped up in many another company in the textile industry — namely, whether the commission house was properly the servant of the mill or its master.

The tie between mill and commission house was close. It had to be, for the selling agent told the mill what to make, advised

on techniques and costs, and when necessary — which was most of the time — advanced funds. Many Worth Street houses had come naturally to dominate the mills they represented. Some owned their mills outright. But nobody in Worth Street owned Pacific Mills, and the Bostonians were determined not to let Jim Little run it as if he did.

The clique opposing him was led by Abbott Lawrence, son of the founder and at that time president. The presidency of a textile mill in those days was a figurehead office, in many cases going from one generation to the next in the same family or from kin to kin within the same little group of families, by virtue of large stockholdings. In Pacific, George W. Lyman was president from the death of Abbott Lawrence, the elder, until 1869. Then John A. Lowell carried the title to 1877, when it passed to Abbott Lawrence the younger.

In that same year Little was made treasurer. He didn't fancy the younger Lawrence poking his nose into the company's affairs, but that was just what Lawrence proposed to do. For one thing, his cousin, Amos Adams Lawrence, also operated a commission house, and Abbott didn't see why the Pacific Mills account shouldn't be given over to Cousin Amos.

By the time Little went into his third year as treasurer, trouble between these two had been simmering for many months. It had trickled down into the organization and even the mill men were taking sides.

The issue that finally blew up like a delayed volcano had begun as the merest molehill. The mill was to make a fabric with a woven stripe. In the lower echelon a dispute had arisen as to whether this stripe should consist of four threads or six.

A "Lawrence man" said four. His co-worker belonging to the "Little crowd" insisted on six. While they argued, the looms stood idle. Ordinarily such a difference would have been decided then and there by the local mill agent. But John Fallon, after serving many years in that office, had retired the year before, and no successor had yet been named. Without a mill agent to settle it, the question was passed along to Boston.

There it worked its way up through the ranks to Messrs. Lawrence and Little. Lawrence, knowing nothing of weaving techniques, but informed of the background of the fight, came out at once for four threads. Little, equally informed, said six. Four — six — four — six — they were like small boys scrapping on a sand lot. There was no other recourse but to the board of directors.

At the special meeting that followed in February of the year 1880, hot words were spoken. Hot for four threads. Hotter for six. And hottest of all by one disgusted member who pointed out the board was "splitting threads." But the thing had gone too far now. It deadlocked the board until Jim Little announced that if he couldn't have his way, he'd resign.

This was just what the opposition was waiting for. It had become well organized. Little's resignation was — to his surprise — promptly accepted.

And so it was that the head of one of the world's largest corporations lost his job over two threads in a piece of cloth!

When the contract with Little's commission house as agent expired at the end of 1882, Pacific Mills did not renew it. And at the next board meeting it was voted to switch the selling business to Cousin Amos's firm, Lawrence & Company.

To Amos Adams Lawrence the change meant an enormous windfall. But as his deeply religious father before him would have done under the circumstances, instead of celebrating, Amos resorted to prayer. In his diary he wrote:

January 6, 1883. The Pacific Mills... have offered to my firm the direction of their vast business, the largest in the United States. May God direct us to a right decision; and if we undertake it, may He give us success and wisdom to use the results in His service, and not in selfish gratification; so that we, and our children after us, may not be damaged by it. Amen.

Although it is a busy place today, to the naked eye and ear the Worth Street district of the nineties offered an even livelier, noisier scene. The process of transacting business required more physical movement.

Outdoors, the traffic was even more hopelessly snarled than now. At the curbs, big draft horses stamped on the cobblestones while shouting porters unloaded cases of mill goods from the drays and slid them down the chutes to sub-basement warehouses. Into Worth Street and out of it again, ceaselessly rushed the mighty flow of fabrics to clothe a nation. Under the offices of Lawrence & Company at 24 Thomas Street there were three sub-cellars for handling goods. The firm kept hundreds of cases of cloth down there — a case held two thousand yards — and at times they were piled on the sidewalks outside, two and three high, all the way to Broadway.

Upstairs in the showrooms, sample cases of Pacific Mills fabrics were laid open in rows on the floor. As jobbers wandered



From these cases the jobbers could select fabrics from "the largest manufacturer in the world of printed goods, cotton warp, and all-wool dress goods."

up and down the aisles they looked the goods over, felt of them and dictated their wants to salesmen who followed, order pads in hand.

From those cases the jobbers could select materials for women's and children's clothing; for men's suits, shirts and underwear; for overcoats and bathing suits; for draperies and bedding — fabrics by "the largest manufacturer in the world of printed, dyed and bleached cotton goods and cotton-warp and all-wool dress goods."

In 1885 Pacific Mills made 100,000,000 yards of cloth — unequaled by any other company at the time.

Under Lawrence & Company's guidance, an enormous variety was built up in lines selling at medium and low prices. Pacific brands became familiar to housewives throughout the country — names like Serpentine Crepe, Manchester Cambric, Trust Muslin, Hampton Suiting.

In the year 1925 Lawrence & Company sold 315,000,000 yards for Pacific.

Serpentine Crepe was a fast mover, a salesmen's delight. Here, Pacific men cracked to each other, lay the way "from rags to riches." So big was the business in this fabric that Salesman Ed Herring of the Chicago territory was stirred to poetic heights. At a dinner in 1912 celebrating completion of Treasurer Ned Greene's big print works, Salesman Herring rose and gave forth soulfully to the tune of "Clementine," in part as follows:

Down in Lawrence stands a print works

Of the mighty Greene's design;

It would print the Ten Commandments

If they'd sell on Serpentine.

O my darling, O my darling,

It's the darling of my line;

It'll wrinkle with a crinkle

And they call it Serpentine.

There were other salesmen in those days who, if they didn't soar on wings of song over Pacific fabrics, nevertheless swung deals in them that were the envy of the trade from Philadelphia to Boston.

There was big Harry Kimball, who worked out of the Boston

office for forty years. Standing six feet four, and with shoulders that made it necessary for him to enter an elevator sidewise, Harry had at his command all the arts of a Shakespearean actor of the old school. Lawrence partner Henry Everett used to say Harry could "sell the legs off a black pot."

Veterans of the trade remember many salesmen who worked out whole lifetimes on the Pacific account, and whose names became bywords in Worth Street and other textile market centers. To Harry Titus, who sold Pacific out of the Philadelphia office, is ascribed the classic remark of a traveling salesman on meeting his bitterest competitor.

Titus, going through the doorway of a Cincinnati firm, bumped into his rival in percales and shirtings. In friendly fashion he asked the fellow where he was going next. On being told Columbus, Titus looked hurt and said accusingly:

"Now, Dave, you know very well when you tell me you're going to Columbus, I'll think you're really going to Cleveland. But I happen to know you've already been in Cleveland. So why do you lie to me?"

Once, attending a dinner given for a large number of textile men in a New York hotel, Titus lost his treasured watch charm, which was a Masonic emblem studded with diamonds. Two days later it was located in a Brooklyn pawn shop. Titus's only comment was:

"I've always thought hotel help were the most honest folks in the world. I still do."

Because Lawrence & Company handled the selling for several other mills besides Pacific, there was considerable rivalry among its own salesmen, and even among partners of the firm who specialized respectively for the competing mills. A crack salesman of Pacific cloth, whom we will call Jones, was once "caught in the middle" of his intramural jealousy at Lawrence & Company.

Working under Henry W. Howe, Lawrence partner handling the Pacific account, and plying his trade in an entirely legitimate manner, Jones saw a chance to make an enormous sale — 2,000,000 yards of Pacific percales — to a customer who up to that time had been regularly on the list of one of the other mills. He went after the order and got it.

Lawrence & Company's senior partner in New York, William DeForest Haynes, was in charge of the rival mill's account. When he came to work next morning and learned of Jones' sale of Pacific percales to his customer, he was fit to be tied. Educated at Oxford, and accustomed to appearing for work in top hat and cutaway coat, Haynes suddenly lost a large part of his dignity and called Howe and Jones into his office. And "into his office" was not all that he called them.

"What do you mean, sir," he demanded of Howe, "letting this man sell my customer? Jones, you're fired!"

"You can't fire my man," remonstrated Howe. "He's one of the best we've got."

"A Lawrence partner can fire any man on the payroll," Haynes said haughtily. "Jones, I say you're fired."

"A Lawrence partner can hire any man he wants," Howe came back. "Jones, you're hired."

Haynes banged the desk. "Jones, do you hear me? Get out. You're fired."

Howe snapped, "Jones, stay right where you are. You're hired."

Jones, standing between them, heard himself fired and hired half a dozen times within thirty seconds. Dizzily his head swiveled from one to the other. Then, to his amazement, he saw both men burst out laughing as they suddenly realized the absurdity of what they were doing.

"Jones," hired one more time than he was fired, is with Pacific Mills today.

Having fattened through the years from commissions on its sales of Pacific goods, the house of Lawrence & Company was the very citadel of Worth Street aristocracy. Its partners were merchant princes, and they dressed, looked and acted the role.

The top hats and cutaway coats were everyday working garb. Lunch was an affair of two hours or more. In their business dealings, Lawrence men sold mainly in large lots, to jobbers and big department stores. They were reluctant to deal with the lowly "cutters" and small manufacturers and hesitated to split a case of goods for anybody.

But with the turn for the worse in the fortunes of Pacific Mills in the late twenties, and indeed of the whole textile industry, the opulence of Lawrence & Company came to an end.

With Pacific "in the red" in 1926, the treasurer didn't fancy the idea of continuing fixed percentage commissions for Lawrence & Company on business in which Pacific itself was losing money. Pacific, with plenty of cash in its own treasury, no longer needed Lawrence endorsement of its commercial paper.

Thus it was that in the spring of 1926 word came to Worth Street that Pacific Mills, after forty-three years in harness with Lawrence & Company, had decided henceforth to go it alone.

Of the seven partners of Lawrence, three retired at the end of that year. The four remaining were retained on a fee basis by Pacific because Lawrence prestige, it was felt, would continue bringing in business.

Actually, however, as everybody in Worth Street knew, the decision meant, for the ancient and honorable house of Lawrence, the end. The day the news came, men who had been with Lawrence through most of their lives gathered in little knots in the Thomas Street offices and shook their heads. It wasn't that they were out of jobs. There would be other jobs for all. But they were witnessing the death of a great tradition. It was a part of their own lives and, for the passing of that part, they wept as they would have for a friend.

The junior partners of Lawrence who had worked on the Pacific Mills account were taken over as department managers of Pacific, and most of the staff moved over with them. Lawrence men subsequently became merchandising managers of both the Cotton and Worsted Divisions of Pacific.

Lawrence & Company continued on the fee basis until the end of 1928. At that time the firm was allowed to expire by limitation. Pacific's Worsted Division moved its selling offices uptown, first to Madison Avenue, then to its present location at 261 Fifth Avenue. The Cotton Division moved three years later to 214 Church Street, otherwise known as 40 Worth Street.

The site of the old sales headquarters of Lawrence & Company on Thomas Street is now occupied by the Merchants Club.

In severing the tie with Lawrence, Pacific Mills not only kept all its old customers but, by recognizing that the little customer is as right as the big one, gained many new friends.

It was harder work, selling cloth to every cutter and small dealer who wanted it. Gone were the top hats and the two-hour lunch periods. But it was better so. Those new friends have remained in account with Pacific through the years. Some of the small companies have since grown into major manufacturers and retailers. But big or little, their loyalty is among Pacific Mills' great assets. This company carries no "good will" item in its balance sheet. That is not because its customer loyalty has no value, but rather because it is priceless.

Having been through the mills that make Pacific "tick" production-wise, Mary and Mack came to New York to see the creative and sales machinery that makes Pacific "click" marketwise. Often Mary had wondered how the material comes to be chosen in a change of style, the make-up of the cloth decided, the texture, the colors.

As they sat in the offices of the Worsted Division with a "styler" — one whose job was to determine the weave of a new fabric, the weight, the finish and "handle," and translate all this into a formula for the mill — Mary was full of questions.

She asked first for the key to the old mystery that clothiers through the ages have failed to solve to their own satisfaction: How does tomorrow's fashion evolve from the world of today? What makes a new style "happen"?

"Fashions change," the expert told her, "because human beings have a streak in them, not found in more contented creatures that walk on four legs, of always wanting something new.

"In the long run, changes in the clothes people wear are pretty faithful reflections of changing ways of life. But from one season to the next, the why and wherefore of popular taste isn't so easy to explain. Nobody has worked out a set of rules for calling the turn very far ahead.

"Some style changes result from discoveries of new and better techniques in clothmaking. Some are dictated by clear, practical necessity — like the buttons that were sewed on men's coat-sleeves originally to keep them from wiping their noses with an age-old gesture.

"When knee breeches were given up for long trousers, in the generation just before Pacific Mills was founded, the anklelength pants were laid on shelves in the stores. They became creased. It was harder to get the creases out than keep them in, so creased trousers became the fashion.

"A logical trend in modern times is the one toward lighter weights. A generation ago the women's dress business was using ten and eleven-ounce goods. Now clothes for the same purposes are made of five to seven-ounce fabrics. With heated motor cars and busses and better heating of homes and office buildings, the heavier weights are no longer necessary or comfortable.

"Another important contrast with old times is in the variety of clothes people want. The man of average means used to have his business or work clothes and his 'Sunday suit.' Today there is more to do in life. Sports create a wide demand for shirts, jackets and a long list of small items. More people hunt and fish, skate and ski. Good roads have meant more clothes.

"But the greatest change of all here in America," he went on, "one that Pacific Mills has done more to bring about than any other one company in the nation, is what you might call the 'democratizing' of American dress. "Before we became a nation, the workingman didn't dress like his employer. Here in New York, in colonial times, if a ditch digger were to walk along the street in velvet breeches and a silk vest, with lace hanging from his cuffs, he would have been hauled into court.

"The class barrier in dress was broken down in a legal sense by our Constitution. But it hung on in a very real economic sense until Pacific Mills and other mass producers pioneered the way to provide that ditch digger with the clothes he had won a legal right to wear. That meant bringing good clothes down into the popular price range, which was the major objective of Pacific Mills all through its early years, and even up to now.

"When the American workingman of today walks along the street he bows to no one. His 'good suit' is the visible symbol of the equal rights he shares with all who pass, shop clerks or millionaires.

"If we in Pacific Mills want to throw out our chests over our first hundred years, we'll be justified in busting a button or two over the leading part our company has played in this single achievement."

One of the keys to success or failure in fabrics is color. As each new season rolls around, the fellow who puts out an appealing color assortment gets orders. The one who doesn't gets ulcers. In a visit with a Pacific Mills colorist, Mary and Mack learned that the regular seasonal selection is a highly specialized job of tremendous responsibility.

"Paris used to be the sole arbiter of color in women's wear," they were told. "A generation ago nobody who was anybody

would be seen at a dogfight wearing any color the Parisians weren't wearing at their dogfights. Today we no longer believe with Oliver Wendell Holmes that 'good Americans, when they die, go to Paris.'

"But among the textile mills here in this country the contest for color leadership goes on fiercely with no holds barred. In the trade you can pretty well discover who is dictating to whom by watching the makers of accessories. They must follow the colors used in suit and dress fabrics. With the approach of each new season they look for their cue to the woolen mill they regard as most influential.

"Until recent years Pacific Mills was rarely the oracle in this matter. In our concentration on volume in popular-priced lines we had to be content with letting others — the mills in the top price brackets — decree the new shades.

"But this changed a few years ago. After Pacific's new management modernized the mills, our costs went down so that we could produce in volume — and at popular prices — even those fabrics that had formerly been considered only for the 'carriage trade.'

"We went out aggressively for leadership in color — and won it. Twice each year Pacific Mills decides on a dozen or more shades for the new spring and fall fabrics. These colors are reproduced in an advance folder which is widely circulated in the trade. Today the accessory manufacturers are taking their cues from Pacific Mills color charts."

Downtown, at headquarters of Pacific Mills Cotton Division, the angle that interested Mary was again the "how" and "why" of fashions. Here, in the neighborhood known as "Worth Street," she and Mack were visiting another part of New York where fashions were born.

After being shown the busy sales offices on the first floor, they went upstairs to see how designs were handled. The Pacific Mills Design Library, a unique institution in the textile industry, is a carefully catalogued and indexed collection of 500,000 cotton print designs accumulated by the company through its century of operation.

"When Pacific Mills began in business," the director said, "all cotton print designs came from abroad. Paris and Manchester were the world centers. But towards the turn of the century American textile schools began training artists. From that time on there were fewer importations.

"In the late 1920's Pacific had thirty staff artists who were without doubt the best in the field. These men raised the standards of the American cotton print industry to a par with England and France.

"Today we buy most of our designs from free-lance artists who live in New York and keep in close touch with us. The field is narrow, the work exacting. In the whole country there are only five hundred professional cotton print designers.

"We have tried some interesting experiments to find out what people like. Once Pacific Mills wondered how America's children would design their clothes if they had a chance. The company sponsored a nation-wide design contest among school kids. Prizes were offered and thousands of entries were made.

"I wish you could have seen what those boys and girls turned out! None of your conventional flowers and fruit. Designs —



For their ideas, cotton print designers draw largely on life itself.

many quite beautiful — built around such down-to-earth objects as brooms and mops, bicycles, scissors and knives, toys, dolls, locomotives. One very fetching number was an arrangement of telephone poles and wires.

"I remember an art teacher who wrote us an amusing letter from a town in Texas. She told her pupils to use only subjects that were closely related to their own lives. One small boy who was the bane of her existence announced he would produce a portrait of one of his ancestors — closely related. She told him it would be too difficult for an eight-year-old to attempt a close likeness. But he insisted.

"He drew a grinning skull. That, he said, was a very close likeness of his ancestor in the shape he's in now."

"Pacific Mills used the best of the entries, exactly as they were drawn. Various cutters made them up into boy's shirts, nightgowns and girls' dresses. They were called 'Paintbox Prints.' Commercially, the result was enough to give our regular designers quite a turn. The work of those untrained youngsters sold at a premium over the product of the professionals!

"For their ideas, cotton print designers draw largely on life itself, on great events, past and present, on major shifts in the public interest. Sometimes these influences can be traced directly into their designs, sometimes they are subtle abstractions.

"A few years ago the North African campaign of American and British forces in World War II established a whole new trend in textile design toward African prints. Now and then something happens to focus attention on the past.

"When the tomb of the Egyptian pharaoh Tut-ankh-amen was discovered in 1922, it so happened there wasn't much other news. For days 'King Tut' held the headlines. Women's clothes took on Egyptian contours. In cotton prints a whole new trend set in.

"One day a free-lance artist came to this office with a design for a new King Tut print. The principal figures were two small vases, stylized after pieces that supposedly had been dug out of Tut's tomb. Across each vase was a band of hieroglyphics. "We liked the design, but because of the journalistic uproar and intense public interest in all things Egyptian, we wanted to be sure we had the real thing. We asked the artist if his design was based on careful research. Oh, yes, he had made a thorough study of authentic reports and photos from the excavation.

"Taking his word for it, we bought the design, had it made up for engraving and sent it with an order to the print works.

"A couple of days later a long-distance call came from the boss printer at Lawrence. He was highly exercised.

"'What kind of deal is this?' he demanded. 'This new design — supposed to be genuine King Tut, isn't it?'

"We assured him it was very authentic.

"'Authentic my ankle! Authentic Pottsville, Ohio — that's what it is. Got a copy there in front of you? Well, just turn it around and take another look!'

"We did. Then we buried it in the wastebasket, canceled the order and quietly suggested to the boss printer that the sooner he destroyed his copy, the better we would like him.

"Upside down, the little 'hieroglyphics' on one of the vases said, in perfectly plain English, HIS; the other, HERS."



Next month Pacific Mills will send you the concluding installment of "Memoirs of a Corporation, Weaving a Century." It will be entitled "Chapter XI: As We Go Ahead."



